



**Rules and Ancillary Document Review Checklist**  
(This form must be filled out electronically.)

All responses should be in **bold** format.

Document Reviewed (include title):

**WAC 458-16A-020: Nonprofit homes for the aging – Initial Application and Application.**

Date last adopted: **3/27/95**

Reviewer: **Kim M. Qually**

Date review completed: **9/16/99**

Is this document being reviewed at this time because of a taxpayer or business association request? (If “YES”, provide the name of the taxpayer/business association and a brief explanation of the issues raised in the request). YES ☐ NO ☒

Type an “x” in the column that most correctly answers the question, and provide clear, concise, and complete explanations where needed.

**1. Explain the goal(s) and purpose(s) of the document:**

**The goal and purpose of WAC 458-16A-020 is to explain the initial application process that must be followed by a home for the aging when it applies for a property tax exemption under RCW 84.36.041. It also describes the annual renewal requirements that an exempt home must follow to retain its exempt status.**

**2. Need:**

YES	NO	
<b>x</b>		Is the document necessary to comply with the statutes that authorize it? (E.g., Is it necessary to comply with or clarify the application of the statutes that are being implemented? Does it provide detailed information not found in the statutes?)
	<b>x</b>	Is the document obsolete to a degree that the information it provides is of so little value that the document warrants repeal or revision?
<b>x</b>		Have the laws changed so that the document should be revised or repealed? (If the response is “yes” that the document should be repealed, explain and identify the statutes the rule implemented, and skip to Section 10.)
	<b>x</b>	Is the document necessary to protect or safeguard the health, welfare (budget levels necessary to provide services to the citizens of the state of Washington), or safety of Washington’s citizens? (If the response is “no”, the recommendation must be to repeal the document.)

Please explain.



**WAC 458-16A-020 explains how a home for the aging may obtain and retain a property tax exemption. It also discusses the roles of the assessor's offices and the DOR in the application and renewal process.**

**Laws 1999, chapter 356 (SHB 1969), changed the manner in which the exemption of a home for the aging will be determined the first year it becomes operational. As a result of this change two subsections in the rule need to be amended: The definition of "eligible resident" in subsection (2), and subsection (6) describing the application process for homes not subsidized by HUD.**

**3. Related ancillary documents, court decisions, BTA decisions, and WTDs: Complete**

Subsection (a) only if reviewing a rule. Subsection (b) should be completed only if the subject of the review is an ancillary document. Excise Tax Advisories (ETAs), Property Tax Bulletins (PTBs) and Audit Directives (ADs) are considered ancillary documents.

(a)

YES	NO	
	<b>x</b>	Are there any ancillary documents that should be incorporated into this rule? (An Ancillary Document Review Supplement should be completed for each and submitted with this completed form.)
	<b>x</b>	Are there any ancillary documents that should be repealed because the information is currently included in this or another rule, or the information is incorrect or not needed? (An Ancillary Document Review Supplement should be completed for each and submitted with this completed form.)
<b>x</b>		Are there any Board of Tax Appeal (BTA) decisions, court decisions, or Attorney Generals Opinions (AGOs) that provide information that should be incorporated into this rule?
	<b>x</b>	Are there any administrative decisions (e.g., Appeals Division decisions (WTDs)) that provide information that should be incorporated into the rule?

(b)

YES	NO	
		Should this ancillary document be incorporated into a rule?
		Are there any Board of Tax Appeal (BTA) decisions, court decisions, or Attorney Generals Opinions (AGOs) that affects the information now provided in this document?
		Are there any administrative decisions (e.g., Appeals Division decisions (WTDs)) that provide information that should be incorporated into the document?



If the answer is “yes” to any of the questions in (a) or (b) above, identify the pertinent document(s) and provide a brief summary of the information that should be incorporated into the document.

**There are no ancillary documents related to this rule.**

**Knights of Pythias Care Center v. DOR, Dockets No. 53723 & 53724 (1999) – if a home for the aging is applying for exemption under the portion of the statute that deals with HUD, do all the units in the home have to be subsidized by HUD? Is DOR required to determine the exemption status of all renewals by August 31<sup>st</sup> each year?**

**4. Clarity and Effectiveness:**

YES	NO	
<b>x</b>		Is the document written and organized in a clear and concise manner?
<b>x</b>		Are citations to other rules, laws, or other authority accurate? (If no, identify the incorrect citation below and provide the correct citation.)
<b>x</b>		Is the document providing the result(s) that it was originally designed to achieve? (E.g., does it reduce the need for taxpayers to search multiple rules or statutes to determine their tax-reporting responsibilities, help ensure that the tax law and/or exemptions are consistently applied?)
	<b>x</b>	Do changes in industry practices warrant repealing or revising this document?
	<b>x</b>	Do any administrative changes within the Department warrant repealing or revising this document?

Please explain.

**WACs 458-16A-020 was adopted in 1995. It was written in a clear and concise manner in the format now favored by DOR and includes an introductory paragraph explaining the intended use of the rule. Because the rule was recently revised, the style and content of the rule are user friendly.**

**The rule as written achieves its intent and purpose. It describes initial application process a home for the aging must comply with to obtain an exemption. It also describes the renewal process. DOR isn’t aware of any problems created by the rule since it was adopted in 1995.**

**5. Intent and Statutory Authority:**

YES	NO	
<b>x</b>		Does the Department have sufficient authority <b>to adopt</b> this document? (Cite the statutory authority in the explanation below.)
<b>x</b>		Is the document consistent with the legislative intent of the statutes that authorize it? (I.e., is the information provided in the document consistent with the statute(s) that it was designed <b>to implement</b> ?) If “no”, identify the specific statute and explain below. List all statutes being implemented in Section 9, below.)
	<b>x</b>	Is there a need to recommend legislative changes to the statutes being implemented by this document?



Please explain.

**RCW 84.36.865 grants DOR the authority to adopt rules and regulations as may be necessary or desirable to permit the effective administration of the chapter 84.36 RCW relating to property tax exemptions.**

**6. Coordination:** Agencies should consult with and coordinate with other governmental entities that have similar regulatory requirements when it is likely that coordination can reduce duplication and inconsistency.

YES	NO	
	<b>x</b>	Could consultation and coordination with other governmental entities and/or state agencies eliminate or reduce duplication and inconsistency?

Please explain.

**Property tax exemptions are administered by the Property Tax Division of DOR. Local governments and other state agencies, as appropriate, are consulted during the rule-making process so the chance of adopting duplicative and/or inconsistent rules is minimal.**

**7. Cost:** When responding, consider only the costs imposed by the document being reviewed and not by the statute.

YES	NO	
	<b>x</b>	Have the qualitative and quantitative benefits of the document been considered in relation to its costs? (Answer "yes" only if a Cost Benefit Analysis was completed when the rule was last adopted or revised.)

Please explain.

**This is an interpretative rule that imposes no additional administrative burdens on taxpayers not already imposed by the statutes in chapter 84.36 RCW.**

**8. Fairness:** When responding, consider only the impacts imposed by the document being reviewed and not by the statute.

YES	NO	
<b>x</b>		Does the document result in equitable treatment of those required to comply with it?
	<b>x</b>	Should it be modified to eliminate or minimize any disproportionate impacts on the regulated community?
	<b>x</b>	Should the document be strengthened to provide additional protection to correct any disproportionate impact on any particular segment of the regulated community?

Please explain.



**This rule applies uniformly to all nonprofit organizations that receive or seek a property tax exemption under RCW 84.36.041. Since the rule was adopted in 1995, no problems related to it have been brought to DOR's attention.**

- 9. LISTING OF DOCUMENTS REVIEWED:** (Use "bullets" with any lists, and include documents discussed above. Citations to statutes, ancillary documents, and similar documents should include titles. Citations to Attorneys General Opinions (AGOs) and court, Board of Tax Appeals (BTA), and Appeals Division (WTD) decisions should be followed by a brief description (i.e., a phrase or sentence) of the pertinent issue(s).)

Statute(s) Implemented:

**RCW 84.36.041: Nonprofit homes for the aging**

Ancillary Documents (i.e., ETAs, PTBs, and ADs): **None**

Court Decisions: **None**

Board of Tax Appeals Decisions (BTAs):

**Knights of Pythias Care Center v. DOR, Dockets No. 53723 & 53724 (1999)**

Administrative Decisions (e.g., WTDs): **None**

Attorney General's Opinions (AGOs): **None**

Other Documents (e.g., special notices or Tax Topic articles, statutes or regulations administered by other agencies or government entities, statutes, rules, or other documents that were reviewed but were not specifically relevant to the subject matter of the document being reviewed):

**10. Review Recommendation:**

☒ Amend

☐ Repeal

☐ Leave as is

☐ Begin the rule-making process for possible revision. (Applies only when the Department has received a petition to revise a rule.)

☐ Incorporate ancillary document into a new or existing rule. (Subject of this review must be an ancillary document and not a rule.)

**Explanation of recommendation:** (If recommending an amendment of an existing rule, provide only a brief summary of the changes you've identified/recommended earlier in this review document.)

**Because of the 1999 change in the underlying statute and the BTA decision, the rule should be amended.**



**11. Manager action:**    Date: \_\_\_\_\_

\_\_\_\_\_ Reviewed recommendation      \_\_\_\_\_ Accepted recommendation

\_\_\_\_\_ Returned for further action

Comments: